



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS

Dennis Kennedy, Mayor
Larry Carr, Mayor Pro Tempore
Hedy L. Chang, Council Member
Greg Sellers, Council Member
Steve Tate, Council Member

REDEVELOPMENT AGENCY

Dennis Kennedy, Chair
Hedy L. Chang, Vice-Chair
Larry Carr, Agency Member
Greg Sellers, Agency Member
Steve Tate, Agency Member

WEDNESDAY, NOVEMBER 6, 2002

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL AND REGULAR MEETING

and

REDEVELOPMENT AGENCY SPECIAL MEETING

6:00 P.M.

*A Special Meeting Is Called at 6:00 P.M. for the Purpose of
Conducting Closed Sessions.*

Dennis Kennedy, Mayor/Chairman

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

6:00 P.M.

City Council Action and Redevelopment Agency Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant Exposure/Initiation of Litigation

Authority: Government Code Sections 54956.9(b) & (c)

Number of Potential Cases: 2

2.

CONFERENCE WITH LEGAL COUNSEL - POTENTIAL AND EXISTING LITIGATION:

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Legal Authority: Government Code 54956.8 & 54956.9(a) & (c) (1 potential case)

Real Property(ies) involved: APN 728-31-007 & 008; 25.50 acres located on the southwesterly side of Cochrane Road (St. Louise Hospital property)

City Negotiators: Agency Members; Executive Director; Agency Counsel; F. Gale Conner, special counsel; Rutan & Tucker, special counsel

Case Name: San Jose Christian College v. City of Morgan Hill

Case Numbers: Ninth Circuit Court of Appeal No. 02-15693

Closed Session Topic: Potential Existing Litigation/Real Estate Negotiations

3.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Government Code section 54956.9(a)

Case Name: City of Campbell et al. v. CalPERS

Case Number: OAH 5119

Attendees: City Attorney, City Manager

4.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Government Code section 54956.9(a)

Case Name: Allivato v. City of Morgan Hill et al.

Case Number: Santa Clara County Superior CV 810111

Attendees: City Attorney, City Manager

5.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Legal Authority: Government Code Section 54956.8

Property: APN 817-29-004, 605 Tennant Avenue, 439 sq ft

Negotiating Parties: For Property Owners: John Lincoln, Jr, Trustee of the John Lincoln Jr. Trust; Robert E. Lincoln; John S. Lincoln

For City: Richard Hoffman; Jim Ashcraft; F. Gale Connor

Under Negotiation: Price and Terms of Payment

6.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Legal Authority: Government Code Section 54956.8
Property: APN 817-08-026, 740 Tennant Avenue, 23.250 sq ft
Negotiating Parties: For Property Owners: Arthur A. & Susan A. Biederman
For City: Richard Hoffman; Jim Ashcraft; F. Gale Connor
Under Negotiation: Price and Terms of Payment

7.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Legal Authority: Government Code Section 54956.8
Property: APN 817-58-009, 16550 Railroad Avenue, 22.146 sq ft
Negotiating Parties: For Property Owners: Dieter Folk; Steven P. Belzer
For City: Richard Hoffman; Jim Ashcraft; F. Gale Connor
Under Negotiation: Price and Terms of Payment

8.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Legal Authority: Government Code Section 54956.8
Property: APN 817-59-006, 16610 Cory Lane, 303 sq ft
Negotiating Parties: For Property Owners: Gary and Donita R. Cupps
For City: Richard Hoffman; Jim Ashcraft; F. Gale Connor
Under Negotiation: Price and Terms of Payment

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATION

National Family Week
Arnim Nicholson

CITY COUNCIL REPORT

Mayor Kennedy

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE DEPUTY CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE CITY
CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council Action

CONSENT CALENDAR:

ITEMS 1-10 The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

- 1) **PROCLAMATION FOR VETERAN'S DAY** 1
Recommended Action(s): Approve Proclamation Proclaiming and Recognizing November 11, 2002, as Veteran's Day.
- 2) **SUBDIVISION APPLICATION SD 02-06: CENTRAL-CENTRAL PARK (APN 767-27-037)** 5
Recommended Action(s): Take No Action, Thereby Concurring With the Planning Commission's Decision Regarding Approval of the Subdivision Map.
- 3) **SUBDIVISION APPLICATION SD 02-07: LLAGAS-DELCO/DIVIDEND** 35
Recommended Action(s): Take No Action, Thereby Concurring With the Planning Commission's Decision Regarding Approval of the Subdivision Map.
- 4) **ANNEXATION APPLICATION, ANX-00-02: COCHRANE-LUPINE** 57
Recommended Action(s): Adopt Resolution No. 5620, Amending Resolution No. 5608, Incorporating the Findings Required by the Local Agency Formation Commission.
- 5) **COMMUNITY AND CULTURAL CENTER PROJECT OPERATIONAL PROCEDURES, POLICIES AND GUIDELINE SUPPORT** 71
Recommended Action(s): Authorize Amending the Contract Agreement with Sports Management Group to Provide Services With the Operational Planning for the Community and Cultural Center, Not to Exceed \$10,000, Subject to Review by City Attorney.
- 6) **ADOPTION OF RECLASSIFICATION OF EVENT COORDINATOR POSITION AND SALARY RANGE TO THAT OF RECREATION SUPERVISOR (FACILITIES AND EVENTS)** 93
Recommended Action(s): Adopt Revised Classification Specification Assigning the Event Coordinator Position to the Recreation Supervisor Classification and Salary Range Under Management Resolution No. 5320.

7)	<u>FINAL MAP ACCEPTANCE FOR MONTE VISTA PHASE II (TRACT 9385)</u>	103
	<u>Recommended Action(s):</u>	
	1. <u>Approve</u> the Final Map, Subdivision Agreement and Improvement Plans;	
	2. <u>Authorize</u> the City Manager to Sign the Subdivision Improvement Agreement on Behalf of the City; and	
	3. <u>Authorize</u> the Recordation of the Map and the Subdivision Improvement Agreement Following Recordation of the Development Improvement Agreement.	
8)	<u>AWARD OF CONTRACT FOR CONSTRUCTION OF TENNANT AVENUE NORTHBOUND RAMP SIGNALS</u>	115
	<u>Recommended Action(s):</u> <u>Award</u> Contract to McGuire and Hester for the Construction of 101/Tennant Avenue Northbound Ramp Signals in the Amount of \$197,500, Subject to Review by City Attorney.	
9)	<u>AWARD CONTRACT FOR OAK CREEK PARK TENNIS COURT RESURFACING</u>	117
	<u>Recommended Action(s):</u> <u>Award</u> Contract to Vintage Contractors, Inc. for the Construction of the Oak Creek Park Tennis Court Project in the Amount of \$27,630, Subject to Review by City Attorney.	
10)	<u>APPROVE SPECIAL CITY COUNCIL MEETING MINUTES FOR OCTOBER 23, 2002</u>	119

Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 11-12

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
11)	<u>AQUATICS COMPLEX PROJECT MANAGEMENT</u>	121
	<u>Recommended Action(s):</u> <u>Authorize</u> Payment of \$11,245 to Richard Sampson Associates Inc. for Project Management Services Rendered for the Aquatics Complex Project.	
12)	<u>LEED RATING ARCHITECTURAL SERVICES FOR AQUATICS COMPLEX</u>	125
	<u>Recommended Action(s):</u> <u>Direct</u> Staff to Proceed with the LEED Rating Documentation.	

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 13-14

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
13)	<u>JOINT SPECIAL AND REGULAR CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES FOR OCTOBER 16, 2002</u>	129
14)	<u>APPROVE JOINT SPECIAL AND REGULAR REDEVELOPMENT AGENCY AND SPECIAL CITY COUNCIL MEETING MINUTES FOR OCTOBER 23, 2002</u>	151

City Council Action

PUBLIC HEARINGS:

	Time Estimate		Page
15)	4 Minutes	<u>DEVELOPMENT AGREEMENT AMENDMENT, DA 02-04: SUNNYSIDE-QUAIL CREEK</u> <i>Continued from 10/16/02</i> Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed. Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of Ordinance No. 1585, New Series. <u>Motion to Introduce</u> the Ordinance No. 1585, New Series by Title Only. (Roll Call Vote)	161
16)	5 Minutes	<u>OUT OF SERVICE AREA REQUEST, OSR-02-02: MANZANITA-MCLAREN</u> <i>Continued from 10/16/02</i> Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed. Council Discussion. Action - <u>Motion to Adopt</u> Resolution No. 5618.	191
17)	30 Minutes	<u>GENERAL PLAN AMENDMENT, GPA 02-02: WATSONVILLE-CITY OF MORGAN HILL RDA AND ZONING AMENDMENT APPLICATION ZA-02-06: WATSONVILLE-CITY OF MORGAN HILL RDA</u> <i>Continued from 10/16/02</i> Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed. Council Discussion. Action- <u>Motion to Approve</u> Mitigated Negative Declaration. Action- <u>Motion to Adopt</u> Resolution No. 5617. Action- <u>Motion to Waive</u> the Reading in Full of Ordinance No. 1586, New Series. <u>Motion to Introduce</u> the Ordinance No. 1586, New Series by Title Only. (Roll Call Vote)	203

Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
18)	15 Minutes	<u>WATSONVILLE ROAD HOUSING PROJECT</u> <u>Recommended Action(s):</u> 1. <u>Approve</u> the Concept for the Development of 12 For-Sale Housing Units for Teachers on the Redevelopment Agency (Agency) Owned Property at the Southwest Corner of Watsonville Road and Calle Sueno; and 2. <u>Direct</u> Staff to Negotiate, Prepare, and Execute a Pre-Development Loan Agreement with South Council Housing, Not to Exceed \$50,000, Conditioned Upon Review by Agency General Counsel.	221

City Council Action

PUBLIC HEARINGS - CONTINUED:

	Time Estimate		Page
19)	5 Minutes	<u>ZONING AND DEVELOPMENT AGREEMENT APPLICATIONS, ZAA 00-17/DA 02-06: LLAGAS - DELCO/DIVIDEND</u> Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed. Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of RPD Ordinance No. 1587, New Series. <u>Motion to Introduce</u> RPD Ordinance No. 1587, New Series by Title Only. (Roll Call Vote) Action- <u>Motion to Waive</u> the Reading in Full of DA Ordinance No. 1588, New Series. <u>Motion to Introduce</u> DA Ordinance No. 1588, New Series by Title Only. (Roll Call Vote)	227
20)	10 Minutes	<u>ZONING AMENDMENT: ZAA-01-12 AND DEVELOPMENT AGREEMENT, DA-02-05: CENTRAL-CENTRAL PARK PHASE V (APN 767-27-037)</u> Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed. Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of Ordinance No. 1595, New Series, Amending the R-1 & R-2/RPD Zoning. <u>Motion to Introduce</u> Ordinance No. 1595, New Series by Title Only. (Roll Call Vote) Action- <u>Motion to Waive</u> the Reading in Full of DA Ordinance No. 1596, New Series Approving Development Agreement. <u>Motion to Introduce</u> DA Ordinance No. 1596, New Series, for Phase 5B, by Title Only. (Roll Call Vote)	279
21)	10 Minutes	<u>AMENDMENT OF MUNICIPAL CODES REGARDING ADOPTION OF THE ADMINISTRATIVE, BUILDING, ELECTRICAL, MECHANICAL, AND PLUMBING UNIFORM CODES</u> Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed. Council Discussion. Action- <u>Motion to Waive</u> the Reading in Full of Ordinance Numbers 1589, 1590, 1591, 1592 and 1593, New Series. <u>Motion to Introduce</u> Ordinance Numbers 1589, 1590, 1591, 1592 and 1593, New Series, by Title Only. (Roll Call Vote)	315

22)	5 Minutes	<u>APPLICATION ZA-02-13: ZONING TEXT AMENDMENT ESTABLISHING PROVISIONS FOR DEVELOPMENT AGREEMENTS</u>	333
		Public Hearing Opened.	
		Please Limit Your Remarks to 3 Minutes. Public Hearing Closed.	
		Council Discussion.	
		Action- <u>Motion to Approve</u> Mitigated Negative Declaration.	
		Action- <u>Motion to Waive</u> the Reading in Full of Ordinance No. 1594, New Series.	
		<u>Motion to Introduce</u> the Ordinance No. 1594, New Series, by Title Only. (Roll Call Vote)	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
23)	10 Minutes	<u>KENT CONSTRUCTION - SUBSTITUTION OF SUBCONTRACTORS</u>	351
		<u>Recommended Action(s):</u> <u>Determine</u> Whether to Impose Penalty on Kent Construction for Violation of the Public Contracts Code Provisions Governing Substitution of Subcontractors	
24)	15 Minutes	<u>ADOPT RESOLUTIONS OF NECESSITY FOR PROPERTY ACQUISITION FOR PROPOSED BUTTERFIELD EXTENSION, PHASE IV</u>	359
		<u>Recommended Action(s):</u>	
		1. <u>Adopt</u> Resolutions of Necessity Numbers 5621, 5622, 5623, and 5624, for Portion of Properties Identified as APNs 817-029-004, 817-058-009, 817-008-026, and 817-059-006 for the Proposed Butterfield Boulevard - Phase IV Improvements Project; and	
		2. <u>Approve</u> the Expenditure of \$349,500 Plus Escrow and Closing Costs for the Acquisition of These Four Properties.	
25)	30 Minutes	<u>STAFF RESPONSE TO DEVELOPMENT PROCESSING SERVICES STUDY</u>	381
		<u>Recommended Action(s):</u>	
		1. <u>Accept Recommendations</u> Made by MAXIMUS for Improving Development Processing Services;	
		2. <u>Consider Staff Report</u> on the Status of Implementing Recommendations;	
		3. <u>Direct Staff</u> to Report Again on the Implementation of Recommendations in April 2003;	
		4. <u>Direct Staff</u> to Study Training and Staffing Needs Associated With Increased Deployment of Automated Permit Processing Software, and to Report Back in January 2003; and	
		5. <u>Direct Staff</u> to Establish a Process for Council Adoption of a New Development Processing Fee Schedule, Which Would be Effective July 1, 2003.	
26)	30 Minutes	<u>UPDATE ON BUDGET AND REVENUE FORECAST</u>	391
		<u>Recommended Action(s):</u>	
		1. <u>Direct</u> City Manager to Reduce General Fund Costs to a Target Level 4% Below Budget, Except Fire and Medical Services, and to Minimize Adverse Service Affects;	
		2. <u>Approve</u> Using \$189,000 of the General Fund Reserve Designated for Economic Uncertainty to Finance the 2002/2003 Budget; and	
		3. <u>Direct</u> the Finance Committee to Explore Potential Revenue Sources for the General Fund.	

27)	15 Minutes	FUND RESERVE AND DESIGNATION POLICY	397
		Recommended Action(s): <u>Discuss</u> and <u>Approve</u> the Proposed “Fund Reserve and Designation Policy”.	
28)	10 Minutes	COUNCIL DIRECTION REGARDING SCHEDULING OF SPECIAL MEETINGS	405
		Recommended Action(s): Council <u>Discussion</u> and <u>Direction</u> Regarding Scheduling/Calling of Special Meetings.	

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT